Previous references.

B 19-13 pl 30, 35736 B.4.14.

1913

(Banking)

File No. 19-13

Serial Nos. 37138

Later references.

B 19-13 pl 49+50

B 12-14 pl: 17-18

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 37138

Part B. for May 1914.

SUBJECT.

Bank of Mysore Ltd.

From the Manager Mysore Bank. G 1/92 dt 22.4.14

Acknowledges the receipt of the go. sanctioning a loan to the Bank equal to half the paid up Capital.

To the manager. no 2153 dt 12.5.14

G. R. S. 58 Informs that 3 p.c for the loan may be regarded for one year from 1.5.1914.

RB pub 1.6.14

G.R.S. 11] 1913-14

GENERAL AND REVENUE SECRETARIAT.

(Banking

NOTES.

File No. 19

FILE HEADING.

Bank of Mysore Ld

From

The Manager, Bank of Mysore Ld

No. G 1/92 Dated 22-4-13 Received

Diary No. 42/6	Enclos.	Spare Copies.	Serial No. 37

BRIEF ABSTRACT OF LETTER.

informs G-ovt of the minute passed at the meeting of the Directors on the G-ovt order No. H4261-2/B19-1 & 18-6-14 conveying sanction of G-ovt to the application of the Bank for a loan equal to half the paid up capital

NOTES AND ORDERS.

The order of the Bank stated that the deposit will carry interest at 3 p.c if it is of a permanent character and 2 p.c if repayable by the Bank after 31 days notice. The Directors have resolved

General and Revenue Secretariat.

B File No. 19 of 1914.

Serial No.

to accept the loan as a permanent at 3 p.c interest & desire the Manager to convey their thanks to Govt.

The wording of the resolution would seem to suggest that the loan is not repayable at the call of Govt.

Kind attention is invited to the Manager's letter No G 1/5-2 20-2-14 wherein he desires on behalf of the Bank that the deposit may be treated as of a permanent character bearing interest at 3 p.c. The Directors meeting subsequently held have apparently reconsidered their decision & desire the loan to be permanent & not liable to repayment at call. It is doubtful whether this was the intention of Govt when granting the deposit asked for orders.

Put W 2-5/14 It is perhaps desirable to tell the Bank that the permanency of the loan does not mean that it will not be called up at all. Govt

General and Revenue Secretariat. | B File No. 19 of 1913 .4.

Serial No.

mean that the rate would be limited at 3% that the Bank cannot after keeping interest paying the 3½% but that it is open to put on pricing which or may be agreed to & the Bank to recall the loan.

Secy

3

A. Is this compatible with the concession terms?

4 I think for ten years if the Bank want the money we have to give it.

M

23/4

Put up file

4/3/14

The Concession is to place a deposit, not less than 5 lakhs for 10 years and deposit an equal amt if required at a reasonable rate of interest not less than 3%. I think the fee deposit is [illegible] with the Bank for 10 years but the loan is that where necessary during the period

General and Revenue Secretariat. | File No. of 191

Serial No.

for the loan but it does not appear necessary to keep this amount as permanent. They will have the option when required & returned when the necessity ceases. They can note the period & determine with the help of the pre deposit. I think therefore that Govt can call back the loan whenever it is necessary.

3.5.14.

Agreed.

7

A. I do not agree -

Please put up a draft to the Bank stating that the rate of interest @ 3% is for the present fixed for one year -

8 I do not suppose that it is the intention of Govt to permanently to fix the rate of interest at 3% & myself I think this should not be done - But I consider that if the Bank be prepared to allow a rate of interest which Govt consider reasonable, Govt are bound to give the second amount also to the Bank for ten years - whenever they want during the next

The draft should come after approval by the Dewan

4/5 Draft

[. S. 12]

General and Revenue Secretariat. | B File No. 19 of 1913.

Serial No.	
9	Draft Sanctd.
	Sd LW 8/5 / Released
	10 M 8/5
	8/5/14
	8/5/14
58	Manager, Bank of Bengal's No. K 5-818 of 12. 5. 1914 states that the rate of interest by 3 p.c. for the Loans may for the present be regarded as fixed for one year only from 1st May 1914

ALL COMMUNICATIONS TO BE ADDRESSED
TO THE MANAGER.
TELEGRAPHIC ADDRESS: "MYSOREBANK."
CODE: A. B. C. 5TH EDITION.

Copied.

DIARY No 4216

The Bank of Mysore, Ltd.,

Bangalore, 22nd April 1914

No. G.1/92

The Financial Secretary to the Government of H. H.
the Maharaja of Mysore,
Bangalore.

Dear Sir,

We are in receipt of your letter No.Fl.4261-2/19-13-31 dated Bangalore 18th March 1914 conveying the sanction of the Government of His Highness the Maharaja of Mysore to the application of the Bank for a loan equal to half the paid up capital of the Bank. Your letter was duly submitted to the Board of Directors at their last meeting when the following minute was passed thereon:-

"The Board resolved to accept the loan as a perma-
"nent one at 3% interest and desire the Manager
"to convey their thanks to the Government of His
"Highness the Maharaja of Mysore for this tangible
"proof of their desire to promote the interest of
"the Bank and thereby the welfare of the mercantile
"community of the State."

Yours faithfully,

DRB/

Manager.

File :

Serial

Diary No. of letter replied to 4216

D O

No. H 5318

12 May/14

General and Revenue Secretariat

(Banking)

, *the* *191* .

To

Date of issue 12 May/14

Signed by W J S (Secretariat)

Dear Sir

In acknowledg
receipt of the minute
of the Board of Directors
Thanking York for the
loan of an amount
equal to half the paid
up capital communi-
cated in your letter No
G/92 of 22-4-14 I am
desired to State that
the rate of interest by
3/- c ~~fixed~~ for the loan

over.

SUBJECT.

may
~~so~~ for the present Year
for one year only from 1st May 1914.

yours faithfully

W
87-

Illegible
85 Mg

W. C. Rose
Manager, Bank of
Mysore Ltd

SW
87